



STATE OF UTAH  
DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE

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APPRAISER ADMINISTRATIVE RULES

October 2005

APPRAISER ADMINISTRATIVE RULES

**DIVISION OF REAL ESTATE  
UTAH DEPARTMENT OF COMMERCE**

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**R162. Commerce, Real Estate.**

**R162-101. Authority and Definitions.**

**R162-101-1. Authority.**

101.1 The following administrative rules, applicable to the Division of Real Estate, Department of Commerce, have been established under the authority granted by Section 61-2b-6(1).

*3/17/94*

101.1.1 The authority to establish and collect fees is granted by Section 61-2b-37.

*3/17/94*

**R162-101-2. Definitions.**

101.2.1 AQB: the Appraiser Qualifications Board of The Appraisal Foundation, 1029 Vermont Avenue, N.W., Suite 900, Washington, D.C. 20005.

*7/16/99*

101.2.2 Board: the Utah Appraiser Licensing and Certification Board.

*7/16/99*

101.2.3 Classification: the type of license or certification held by an appraiser.

*9/10/04*

101.2.4 Division: the Division of Real Estate of the Department of Commerce.

*7/16/99*

101.2.5 Reinstatement: renewing a license or certification for an additional period after its expiration date has passed but prior to six months after the expiration date.

*9/10/04*

101.2.6 Renewal: extending a license or certification for an additional period upon its expiration.

*9/10/04*

101.2.7 Trainee: a person who is working under the direct supervision of a State-licensed appraiser, a State-certified residential appraiser, or a State-certified general appraiser to earn points for licensure, and who meets the requirements of Section 105.3.3.

*9/10/04*

101.2.8 USPAP: The Uniform Standards of Professional Appraisal Practice published by The Appraisal Foundation, 1029 Vermont Avenue, N.W., Suite 900, Washington, D.C. 20005.

*7/16/99*

**R162. Commerce, Real Estate.**

**R162-102. Application Procedures.**

**R162-102-1. Application.**

102.1.1 Initial Review - An applicant for licensure or certification as an appraiser will be required to submit, on forms provided by the Division, documentation indicating successful completion of the education and experience required by the state of Utah.

*5/3/99*

102.1.1.1 The application may be reviewed by an Appraiser Education Review Committee appointed by the Real Estate Appraiser Licensing and Certification Board to determine if the education requirement has been met.

*5/3/99*

102.1.1.2 The candidate will provide evidence of meeting the experience requirement by completing the form required by the Division. *5/3/99*

102.1.1.3 The candidate will submit the appropriate license or certification fee at the time of submission of the education and experience forms. *11/15/01*

## 102.1.2 Exam Application

102.1.2.1 Upon determining the candidate has completed the education and experience requirements, the Division will issue to the candidate a form permitting the candidate to register to sit for the examination. The permission to register to sit for the examination shall be valid for 24-months after issuance, or 24-months after May 17, 2005, which ever is longer.

*5/05/05*

102.1.2.1.1 Effective January 1, 2003, as a prerequisite to sitting for the licensing/certification examination, the applicant will be required to submit proof of successful completion of the 15-hour National USPAP Course or its equivalent from an instructor or instructors, at least one of whom is a State-Certified Residential or State-Certified General Appraiser and has been certified by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation. Equivalency to the 15-hour National USPAP Course will be determined through the Course Approval Program of the Appraiser Qualifications Board (AQB) of the Appraisal Foundation. *12/2/02*

102.1.2.2 The candidate will make application to take the examination by returning the application form and the appropriate testing fee to the testing service designated by the Division. If the applicant fails to take the examination, the fee will be forfeited. *5/16/97*

## 102.1.3 Final Application

102.1.3.1 Within 90 days after successful completion of the exam, the appraiser applicant must return to the Division each of the following: *5/3/99*

102.1.3.1.1 A report from the testing service indicating successful completion of the exam. *5/16/97*

102.1.3.1.2 The license application form required by the Division. The application form shall include the applicant's business and home addresses. A post office box without a street address is unacceptable as a business or home address. The applicant may designate either address to be used as a mailing address. *5/3/99*

102.1.3.1.3 The fee for the federal registry. *11/15/01*

**R162-102-2. Status Change.**

102.2.1 A licensed or certified appraiser must notify the Division within ten working days of any status change. Status changes are effective on the date the properly executed forms and appropriate fees are received by the Division. Notice must be made in writing on the forms required by the Division. 11/15/01

102.2.1.1 Change of name requires submission of official documentation such as a marriage or divorce certificate, or driver's license. 5/16/97

102.2.1.2 Change of business, home address or mailing address requires written notification. A post office box without a street address is unacceptable as a business or home address. Any address may be designated as a mailing address. 5/3/99

102.2.2 State-licensed Appraisers, upon meeting the appropriate requirements for certification and upon filing a completed application within six months from their last renewal, will be allowed to transfer to the categories of either Certified Residential or Certified General by paying only a transfer fee. 11/15/01

102.2.2.1 Transfer to a certified category will not change the individual's expiration date. 5/3/99

**R162-102-3. Renewal.**

102.3.1 At least 30 days before expiration, a renewal notice shall be sent by the Division to the registered, licensed or certified appraiser at the mailing address shown on the Division records. The applicant for renewal must return the completed renewal notice and the applicable renewal fee to the Division on or before the expiration shown on the notice. 5/3/99

102.3.1.1 The licensed or certified appraiser must return proof of completion of 28 hours of continuing education taken during the preceding two years. 11/15/01

102.3.1.1.1 Even though the appraiser may have changed licensing categories, every third time the appraiser with a renewal date before January 1, 2004 renews, the appraiser will provide evidence of having completed, within the two years prior to the third renewal, a course in the Uniform Standards of Professional Appraisal Practice. This USPAP course may be either a 7-hour National USPAP course or any 15-hour USPAP course that includes passing of a final exam. The hours of credit from USPAP courses may be used to meet part of the continuing education requirement for that renewal period. The appraiser must obtain and study the Utah Real Estate Appraiser Licensing and Certification Act and the rules promulgated thereunder and must sign an attestation that he understands and will abide by them. Appraisers with a renewal date after January 1, 2004 will be required to comply with Section 102.3.1.1.4. 12/2/02

102.3.1.1.2 Those State-Licensed Appraisers who were Senior Appraisers prior to May

3, 1999 and who completed a USPAP course after January 1, 1993 will not be required to complete the USPAP course again in order to renew until their third renewal following the date upon which they completed the USPAP course as long as their renewal date is before January 1, 2004. Those State-Licensed Appraisers who have a renewal date that is after January 1, 2004 will be required to comply with Section 102.3.1.1.4. *12/2/02*

102.3.1.1.3 Those appraisers who were State-Registered Appraisers prior to May 3, 2001 and who completed a USPAP course after January 1, 1993 will not be required to complete the USPAP course again in order to renew until their third renewal following the date upon which they completed the USPAP course as long as their renewal date is before January 1, 2004. Those formerly State-Registered Appraisers who have a renewal date that is after January 1, 2004 will be required to comply with Section 102.3.1.1.4. *12/2/02*

102.3.1.1.4 Effective January 1, 2004, all appraisers must take the 7-hour National USPAP Update Course or its equivalent at least once every two years in order to maintain a license or certification. In order to qualify as continuing education for renewal, the course must have been taken from an instructor or instructors, at least one of whom is a State-Certified Residential or State-Certified General Appraiser and has been certified by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation. Equivalency to the 7-hour National USPAP Update Course will be determined through the Course Approval Program of the Appraiser Qualifications Board (AQB) of the Appraisal Foundation. *12/2/02*

102.3.2 If the renewal fee and documentation are not received within the prescribed time period, the license or certification shall expire. *11/15/01*

102.3.2.1 A license or certification may be renewed for a period of 30 days after the expiration date upon payment of a late fee in addition to the requirements of Section 102.3.1. *11/15/01*

102.3.2.2 After this 30-day period and until six months after the expiration date, the license or certification may be reinstated upon payment of a reinstatement fee in addition to the requirements of Section 102.3.1. It shall be grounds for disciplinary sanction if, after the expiration date, the individual continues to perform work for which a license or certification is required. *11/15/01*

102.3.2.3 A person who does not renew a license or certification within six months after the expiration date shall be relicensed or recertified as prescribed for an original application. The applicant will receive credit for previously credited precertification education. Applicants for a new license or certification will be required to complete a USPAP course and retake the examination for the classification for which they are applying. *11/15/01*

102.3.3 If the Division has received renewal documents in a timely manner but the information is incomplete, the appraiser shall be extended a 15-day grace period to complete the application. *5/16/97*

**R162-102-4. Six-Month Temporary Permits.**

102.4.1 A non-resident of this state may obtain a six-month temporary permit to perform one or more specific appraisal assignments in Utah. In order to qualify for a temporary permit, the specific appraisal assignments must be covered by a contract to provide appraisals. In order to obtain a temporary permit, an applicant must: 2/7/01

102.4.1.1 Submit an application in writing requesting temporary licensure or certification. The application shall include the name of the client, the specific property address(es) to be appraised, the type of property being appraised, and the estimated time to complete the assignment; 2/7/01

102.4.1.2 Answer and submit a "Utah Appraiser Qualifying Questionnaire" in the form designated by the Division; 12/18/00

102.4.1.3 Sign an irrevocable consent to service authorizing the Division to receive service of any lawful process on his behalf in any noncriminal proceeding arising out of his practice as an appraiser in this state; 10/2/98

102.4.1.4 Pay an application fee in the amount established by the Division; and 10/2/98

102.4.1.5 Provide the starting date of the appraisal assignment for which the temporary permit is being obtained. 10/2/98

102.4.2 A non-resident is limited to two temporary permits per calendar year, each of which may be extended one time for an additional six month period if the assignments have not been completed within the original six-month term of the temporary permit. A temporary permit may be extended by submitting any forms required by the Division. 2/7/01

**R162-102-5. Reciprocity.**

102.5.1 An individual who is licensed or certified as an appraiser by another state may be licensed or certified in Utah by reciprocity on the following conditions: 5/3/99

102.5.1.1 The other state must have required the applicant to satisfactorily complete classroom hours of appraisal education approved by that state which are substantially equivalent in number to the hours required for the class of licensure or certification for which he is applying in Utah; 5/3/99

102.5.1.2 The education must have included a course in the Uniform Standards of Professional Appraisal Practice. Effective January 1, 2003, the course must either be the 15-hour National USPAP Course or its equivalent. Equivalency to the 15-hour National USPAP Course will be determined through the Course Approval Program of the Appraiser Qualifications Board (AQB) of the Appraisal Foundation; 12/2/02

102.5.1.3 The applicant must obtain and study the Utah Real Estate Appraiser Licensing and



Certification Act and the rules promulgated thereunder and must sign an attestation that he understands and will abide by them; 11/15/01

102.5.1.4 The applicant must have passed an examination which has been approved by the AQB for the class of licensure or certification for which he is applying; 5/3/99

102.5.1.5 If the applicant resides outside of the state of Utah, he must sign an irrevocable consent to service authorizing the Division to receive service of any lawful process on his behalf in any noncriminal proceeding arising out of his practice as an appraiser in this state; 5/16/97

102.5.1.6 The applicant must provide a complete licensing history sent directly to the Division by his home state and any other state in which he has been licensed, which shall include the applicant's full name, home and business addresses and telephone numbers, the date first licensed, the type or types of licenses or certifications held, the date the current license or certification expires, and a statement concerning whether disciplinary action has ever been taken, or is pending, against the individual; 5/3/99

102.5.1.7 The applicant shall not have been convicted of a criminal offense involving moral turpitude relating to his ability to provide services as an appraiser; and 5/16/97

102.5.1.8 The applicant must agree, as a condition of licensure or certification, that he will furnish to the Division upon demand all records requested by the Division relating to his appraisal practice in Utah. Failure to do so will be considered grounds for revocation of license or certification. 5/3/99

## **R162. Commerce, Real Estate.**

### **R162-103. Appraisal Education Requirements.**

#### **R162-103-1. Definitions.**

103.1.1 For the purposes of this rule, "school" includes: 5/31/94

(a) An accredited college, university, junior college or community college; 7/8/97

(b) Any state or federal agency or commission; 3/3/94

(c) A nationally or state recognized real estate appraisal or real estate related organization, society, institute, or association; 7/8/97

(d) Any other school or organization as approved by the Board. 3/3/94

103.1.2 "School director" means an authorized individual in charge of the educational program at a school. 5/31/94

**R162-103-2. School Certification.**

103.2.1 Each school requesting certification shall make application for approval on the form prescribed by the Division, and shall submit the applicable fees. The application shall include, and the Board may consider, the following information in determining the school's eligibility for certification: 5/31/94

103.2.1.1 Name, phone number, and address of the school, school director and all owners of the school. 5/31/94

103.2.1.2 Attestation to upstanding moral character by individuals who are school directors or owners of the school, and whether any individual: 5/31/94

(a) has had a license or certification to practice in the appraisal profession, or any other profession or occupation, denied, restricted, suspended, or revoked. 5/31/94

(b) has been permitted to resign or surrender an appraiser license or certification, or has ever allowed an appraiser license or certification to expire while the individual was under investigation, or while action was pending against the individual by an appraiser licensing or any other agency. 5/3/99

(c) has any action now pending by any appraiser licensing or other agency. 3/3/94

(d) is currently under investigation for, or charged with, or has ever pled guilty or no contest to, or been convicted of, a misdemeanor or felony, excluding minor traffic offenses. 3/3/94

(e) has ever been placed on probation in connection with any criminal offense or a licensing action. 3/3/94

103.2.1.3 A description of the type of school and a description of the school's physical facilities. All courses shall be taught in an appropriate classroom facility and not in any private residence, except for courses approved for specific home-study purposes; 5/31/94

103.2.1.4 A copy of the statement which shall be provided for each student outlining the days, times and locations of classes; the number of quizzes and examinations; the grading system, including methods of testing and standards of grading; the requirements for attendance; and the school's refund policy. 5/31/94

103.2.2 A public school may schedule its courses within the criteria of its regular schedule, for example, quarter, semester, or similar schedule. A quarter hour of college credit is the equivalent of 10 classroom hours, and a semester hour of college credit is the equivalent of 15 classroom hours. 5/31/94

103.2.3 Upon approval by the Board, a school will be issued certification. Until January 1, 2005, all certifications expire January 1. Beginning on January 1, 2005, a school certification

will be issued for a two-year term and will expire twenty-four months from the date of issuance. School certifications may be renewed by submitting a properly completed application for renewal prior to the expiration date of the school's current certification, using the form required by the Division. Until January 1, 2005, renewed school certifications shall be issued for a term of one calendar year. Beginning on January 1, 2005, the term of a renewed school certification shall be twenty-four months. Conditions of certification include the following: 11/24/04

(a) A school shall teach the approved course of study as outlined in the State Approved Course Outline; 3/2/92

(b) A school shall require each student to attend the required number of hours and pass a final examination; 3/2/92

(c) A school shall maintain a record of each student's attendance for a minimum of five years after his enrollment; 3/2/92

(d) A school shall not make any misrepresentation in its advertising about any course of instruction, and shall be able to provide substantiation of any claims made. All advertising and public notices shall be free of statements or implications which do not enhance the dignity and integrity of the appraisal profession. A school shall refrain from disparaging a competitor's services or methods of operation; 3/2/92

(e) Within 15 calendar days after the occurrence of any material change in the school which could affect its approval, including the events listed in R162-103.2.1.2, the school shall give the Division written notice of that change; and 3/3/94

(f) A school will not attempt by any means to obtain or use the questions on the state licensure or certification exam unless those questions have been dropped from the current exam bank. 5/3/99

(g) A school shall provide to all students at the time of registration a copy of the qualifying questionnaire the student will be required by the Division to answer as part of the prelicensing or precertification examination. 5/3/99

### **R162-103-3. Course Certification.**

103.3.1 Each school requesting approval of a course designed to meet the education requirements of licensure or certification shall make application for approval on a form prescribed by the Division and shall pay the applicable fee. The application shall include, and the Board may consider, the following information in determining eligibility for approval:

5/3/99

(a) A course outline including a description of the course, the length of time to be spent on each subject area broken into segments of no more than 30 minutes each, and three to five learning objectives for every three hours; 3/3/94

(b) Indication of any method of instruction other than lecture method including: a slide presentation, cassette, video tape, movie, home study, or other. 3/3/94

(c) A copy of the three final examinations of the course and the answer keys which are used to determine if the student has passed the course; 6/1/00

(d) An explanation of what the school procedure is for maintaining the security of the final exams and the answer keys; 6/1/00

(e) A list of the titles, authors and publishers of all required textbooks; 3/2/92

(f) A list of the instructors and evidence of their certification by the Division, and a list of any guest lecturers to be used and evidence of their qualifications as an instructor for a specific course; and 3/2/92

(g) Days, times, and location of classes. 3/2/92

103.3.2 Upon approval by the Board, a course will be issued certification. Until January 1, 2005, all certifications expire January 1. Beginning January 1, 2005, all original course certifications and all renewed course certifications shall be issued with an expiration date of twenty-four months after issuance. 11/24/04

103.3.3 Each course of study will meet the minimum standards set forth in the State Approved Course Outline provided for each approved course. The school may alter the sequence of presentation of the required topics. Specific nonappraisal courses being used to satisfy the educational requirements shall have prior approval as to their applicability. 5/31/94

103.3.4 All courses of study will meet the minimum hourly requirement of that course. A credit hour is defined as 50 minutes of supervised contact by a certified instructor within a 60-minute time period. A 10-minute break will be given for each 50 minutes in class. Registration or certification credit will be limited to a maximum of eight credit hours per day. The limitation applies only to the credit a student may receive and is not intended to limit the number of classroom hours offered. 7/8/97

103.3.5 A public school or institution may use any faculty member to teach an approved course provided the individual demonstrates to the satisfaction of the Division and the Board academic training or appraisal experience qualifying him to teach the course. 5/31/94

103.3.6 Distance education is defined as any educational process based on the geographical separation of instructor and student (e.g., CD ROM, On-line learning, correspondence courses, video conferencing, etc.). Distance education courses must provide interaction between the learner and instructor and must include testing. A distance education course may be acceptable to meet the classroom hour requirement or its equivalent providing each course meets the following conditions: 5/3/99

103.3.6.1 The course (a) has been presented by an accredited college or university which offers distance education programs in other disciplines and where accreditation has been made by the Commission on Colleges or a regional accreditation association; or (b) has received approval for college credit by the International Distance Education Certification Center, also known as IDECC; or (c) has been approved under the AQB Course Approval Program. 5/3/99

(a) The learner must successfully complete a written examination personally proctored by an official approved by the college or university or by the presenting entity; and 5/3/99

(b) The course must meet the requirements established by the AQB and be equivalent to the minimum of 15 classroom hours. 5/3/99

103.3.7 A maximum of 10% of the required class time may be spent in testing, including review test and final examination. A student cannot challenge a course or any part of a course of study by taking an exam in lieu of attendance. 5/31/94

103.3.7.1 If a student fails a school final examination, he will not be allowed to retest for a minimum of three days. The student will not be allowed to retake the same final exam, but will be given a new exam with different questions. 6/1/00

103.3.7.2 If the student fails the final exam a second time, he will not be allowed to retest for a minimum of two weeks at which time he will be given an entirely new exam with completely new questions. If the student fails this third exam, he will fail the course. 6/1/00

103.3.8 All texts, workbooks, supplement pamphlets and any other materials shall be appropriate and current in their application to the required course outline. 5/31/94

103.3.9 Within 15 calendar days after the occurrence of any material change in a course which could affect approval, the school shall give the Division written notice of the change. 5/31/94

#### **R162-103-4. Education Credit for Noncertified Courses.**

103.4.1 Education credit will be granted towards licensure or certification for an appraisal education course which has been taken and which has not been previously certified in Utah for prelicensing education credit, and has been provided by a school which meets the criteria as outlined in 103.1. 5/3/99

103.4.1.1 The course content shall have met the minimum standards set forth in the Utah State Approved Course Outline. 7/8/97

103.4.1.2 A course must be at least 15 hours in duration, including the examination. An

hour is defined as 50 minutes of supervised contact by a certified instructor within a 60-minute time period. 7/8/97

103.4.1.3 A final examination will be administered at the end of each course pertinent to that education offering. 7/8/97

103.4.2 Credit will not be granted for a course taken in which the applicant obtained credit from the course provider by challenge examination without having attended the course. 7/8/97

103.4.3 Credit will not be given for duplicate or highly comparable classes. Each course must represent a progression in which the appraiser's knowledge is increased. 5/3/99

103.4.4 There is no time limit regarding when education credit must have been obtained. 5/3/99

103.4.5 Hourly credit for a course taken from a professional appraisal organization will be granted based upon the Division approved list which verifies hours for these courses. 7/8/97

103.4.6 Credit will only be granted for a course that has been successfully completed. Successful completion of a course means that the applicant has attended a minimum of 90% of the scheduled class hours, has completed all required exercises and assignments, and has achieved a passing score on a course final examination. The final examination shall not be an open book examination. 7/8/97

103.4.7 Submission for Education Approval. 7/8/97

103.4.7.1 Courses that have not been previously certified for prelicensing credit will be reviewed by the Education Review Committee. It is the responsibility of the applicant to establish that a particular education offering will qualify to meet the education requirement for licensing or certification. 6/1/00

103.4.7.2 The applicant shall submit on a form provided by the Division a list of the courses that documents the course title, the name of the sponsoring organization, the number of classroom hours, and the date the course was completed. 7/8/97

103.4.7.3 The applicant will attest on a notarized affidavit that the courses have been completed as documented. 7/8/97

103.4.7.4 The applicant will support the claim for education credit if requested by the Division by providing proof of completion of the courses in the form of certificates, transcripts, report cards, letters of verification, or similar proof. 7/8/97

103.4.7.5 Applicants having appraisal education in categories other than those in the State Approved Course Outline may petition the Board on an individual basis for

evaluation and approval of their education as being substantially equivalent to that required for licensing or certification. 6/1/00

**R162-103-5. Instructor Application for Certification.**

103.5.1 Each instructor requesting approval to be certified as an instructor to teach the education requirements of appraisal licensure or certification shall make application for approval on a form prescribed by the Division and shall submit the applicable fees. The application shall include, and the Board may consider, the following information in determining the instructor's eligibility for approval: 5/31/94

103.5.1.1 Attestation to upstanding moral character, including whether the individual: 5/31/94

(a) has had a license or certification to practice in the appraisal profession, or any other profession or occupation, denied, restricted, suspended, or revoked. 5/3/99

(b) has been permitted to resign or surrender an appraiser license or certification, or has ever allowed an appraiser license or certification to expire while the individual was under investigation, or while action was pending against the individual by an appraiser licensing or any other agency. 5/3/99

(c) has any action now pending by any appraiser licensing or other agency. 3/3/94

(d) is currently under investigation for, or charged with, or has ever pled guilty or no contest to, or been convicted of, a misdemeanor or felony, excluding minor traffic offenses. 3/3/94

(e) has ever been placed on probation in connection with any criminal offense or a licensing action. 3/3/94

103.5.2 The instructor will demonstrate evidence of knowledge of the subject matter by the following: 5/31/94

103.5.2.1 A minimum of five years active experience in appraising, or 5/31/94

103.5.2.2 Evidence of having completed college or other appropriate courses specific to the topic he proposes to teach, or 5/31/94

103.5.2.3 Evidence of other qualifications of experience, education, or credentials which are acceptable to the Board; and 5/31/94

103.5.2.4 Evidence of having passed an examination designed to test knowledge of the subject matter he proposes to teach. 5/31/94

103.5.3 An applicant to teach the course on USPAP shall conform to all of the above criteria and in addition shall have been certified by the Appraisal Qualifications Board (AQB) of the Appraisal Foundation as an AQB Certified USPAP instructor. 7/27/05

103.5.4 Upon approval by the Board, an applicant will be issued certification. Until January 1, 2005, all certifications expire January 1 of each even numbered year. Beginning January 1, 2005, instructor certifications will be issued for a term that expires twenty-four months from the date of issuance. Conditions of renewal of certification include providing proof of the following: 11/24/04

103.5.4.1 Must have taught at least 20 hours of in-class instruction in a certified course during the preceding two years; and 5/31/94

103.5.4.2 Must have attended a real estate instructor development workshop sponsored or approved by the Division during the preceding two years. 5/31/94

103.4.5.3 Instructor certifications may be renewed by submitting a properly completed application for renewal prior to the expiration date of the instructor's current certification, using the form required by the Division. Renewed instructor certifications will be issued for a term of twenty-four months. If the instructor does not submit a properly completed renewal form, renewal fee, and any required documentation prior to the expiration date of the current certification, the certification shall expire. When a certification expires, the certification may be reinstated for a period of thirty days after the expiration date upon payment of a late fee in addition to completing the requirements for a timely renewal. After this thirty day period, and until three months after the expiration date, an instructor certification may be reinstated upon payment of a non-refundable late fee and submission of proof of completion of six classroom hours of education related to real estate appraisal or teaching techniques in addition to completing the requirements for a timely renewal. Following the three month period, an instructor shall be required to apply as an original applicant in order to obtain a new certification. 11/24/04

103.5.5 Within 15 calendar days after the occurrence of any of the events listed in Section 103.5.1, an applicant or instructor shall give written notice to the Division of that event.

5/31/94

#### **R162-103-6. Education Review Committee.**

103.6 A committee may be appointed by the Board to review submissions for education credit for license or certification applicants and also to review submissions for certification of appraiser courses and instructors. 5/3/99

103.6.1 The Education Review Committee shall: 5/31/94

103.6.1.1 Review all applications for adherence to the education credit required for



licensure or certification and make recommendations to the Division and the Board for approval or disapproval of the education claimed. 5/3/99

103.6.1.2 Review all submissions requesting certification of appraiser courses and instructors for prelicensing education purposes and make recommendations to the Division and the Board for approval or disapproval. 5/31/94

103.6.2 The Committee shall be composed of appraisers from the following categories: residential appraisers; commercial appraisers; farm and ranch appraisers; right-of-way appraisers; and ad valorem appraisers. 5/31/94

103.6.2.1 The chairperson of the committee shall be appointed by the Board. 5/31/94

103.6.2.2 Meetings may be called upon the request of the chairperson or upon the written request of a quorum of committee members. 5/31/94

103.6.3 If the review of an application has been performed by the Education Review Committee, and the Board has denied the application based on insufficient education or an inability to meet the certification of education requirements, the applicant may request that the Board review the issue again by making a request in writing to the Board within thirty days after the denial stating specific grounds upon which relief is requested. The Board shall thereafter consider the request and issue a written decision. 5/3/99

#### **R162-103-7. Continuing Education Course Certification.**

103.7 As a condition of renewal, all appraisers will complete the equivalent of 28 classroom hours of appraisal education during the two-year term preceding renewal. The continuing education requirement is for the purpose of maintaining and increasing the appraiser's skill, knowledge and competency in real estate appraising. 5/3/99

103.7.1 Continuing education credit may be granted for courses that meet the following criteria: 5/3/99

(a) the course has been obtained from any of the course providers designated in 103.1. 7/8/97

(b) the course covers appraisal topics as suggested by the AQB. 5/3/99

(c) the length of the educational offering is at least two classroom hours, each classroom hour is defined as 50 minutes out of each 60-minute segment, and the continuing education credit is limited to eight hours per day. 7/8/97

(d) the course meets the requirements for distance learning as outlined in R162-103.3.7. 7/8/97

103.7.2 Real estate appraisal related field trips are acceptable for continuing education credit; however, transit time to or from the field trip location should not be included when awarding credit if instruction does not occur. 5/3/99

103.7.3 Prelicensing education credit awarded to individuals seeking a different classification than that held, can also be used to satisfy a continuing education requirement. 5/3/99

103.7.4 Alternative Continuing Education Credit - continuing education credit may be granted for participation, other than as a student, in appraisal educational processes and programs. 3/3/94

103.7.4.1 Credit may be granted on a case by case basis for teaching, program development, authorship of textbooks, or similar activities which are determined by the Board to be equivalent to obtaining continuing education. 3/3/94

103.7.4.2 The Education Review Committee will review claims of equivalent education and also alternative continuing education proposed to be used for continuing education purposes. 3/3/94

103.7.4.3 The Board may award continuing education credit to members of the Education Review Committee, the Experience Review Committee, and the Technical Advisory Panel. 5/3/99

#### **R162-103-8. Administrative Proceedings.**

The Division may deny certification or renewal of certification to any course, school or instructor that does not meet the standards required by this chapter. 3/3/94

#### **R162. Commerce, Real Estate.**

##### **R162-104. Experience Requirement.**

##### **R162-104-1. Measuring Experience.**

104.1.1 Except for those applicants who qualify under Section 104.17, appraisal experience shall be measured in points according to the Appraisal Experience Points Schedule in Section R162-104-18 of this rule and also in time accrued. 5/3/99

104.1.1.1 Experience for state-licensed applicants shall have been accrued in no fewer than 12 months. Experience for the certified residential applicants shall have been accrued in no fewer than 24 months, as required by the AQB. Experience for the certified general applicants shall have been accrued in no fewer than 30 months, as required by the AQB. 11/26/03

104.1.1.2 Applicants for the state-licensed category shall submit proof of at least 400 points of experience. Applicants for certified residential shall submit proof of at least 100 additional points accrued after state-licensed status was obtained, for a total of 500 points of experience. Applicants for certified general shall submit proof of at least 200 additional points accrued after state-licensed status was obtained, for a total of 600 points of experience. 11/26/03

**R162-104-2. Maximum Points Per Year.**

104.2 For applicants for certification, a maximum of 400 points will be credited for any one 12-month period. For applicants for licensure, a maximum of 400 points will be credited for any one 12-month period. *11/26/03*

**R162-104-3. Time Allowed for Meeting Experience Requirement.**

104.3 Credit will be given for appraisal experience earned only within five years immediately preceding the licensure or certification application. *5/3/99*

**R162-104-4. Proof of Experience.**

104.4 The Division shall require the applicant to furnish the following information for each appraisal for which points are claimed: property address or legal description, date of the appraisal, type of property, and any other information deemed appropriate by the Division. *11/1/96*

**R162-104-5. Compliance with USPAP and Licensing Requirements, USPAP Limited Appraisals.**

104.5 No experience credit will be given for appraisals which were performed in violation of Utah law or the law of another jurisdiction, or the administrative rules adopted by the Division and the Board. *5/3/99*

104.5.1 No experience credit will be given for appraisals unless the appraisals were done in compliance with USPAP.

*5/46/97*

104.5.2 In order to qualify as experience credit toward certification, the additional points for certification required by Section 104.1.1.2 must have been accrued while the applicant was licensed as an appraiser in Utah, or in another state if licensure was required in that state, at the time the appraisal was performed. *11/26/03*

104.5.3 For the purposes of this rule, limited appraisals are defined as opinions of value performed under, and resulting from, invoking the departure provision of USPAP, but do not include mass appraisals. Limited appraisals shall be granted 50% of the credit awarded an appraisal which is not a limited appraisal. Limited appraisals where only an exterior inspection of the subject property is performed shall be granted 25% of the credit awarded an appraisal which is not a limited appraisal. Not more than 25% of the total experience required for licensure or certification may be earned from limited appraisals. *5/3/99*

**R162-104-7. State-Licensed and State-Certified Applicants.**

104.7.1 Except for those applicants who qualify under Section 104.17, applicants applying for licensure as State-Licensed Appraisers shall be awarded points from either the Residential Experience Points Schedule or the General Experience Points Schedule for their experience prior to licensure only if the experience claimed was gained in compliance with Section 105.3.

*5/3/99*

104.7.2 Applicants applying for certification as State-Certified Residential Appraisers must document at least 75% of the points submitted from the Residential Experience Points Schedule. No more than 25% of the total points submitted may be from the General Experience Points Schedule. *11/1/96*

104.7.3 Applicants applying for certification as State-Certified General Appraisers may claim points for experience from either the Residential Experience Points Schedule or the General Experience Points Schedule, so long as at least 50% of the total points has been earned from the General Experience Points Schedule. *5/16/97*

**R162-104-8. Points from Authorship.**

104.8 The cumulative points from appraisal textbook and article authorship shall not exceed 50% of the cumulative points submitted. *11/24/04*

**R162-104-9. Review or Supervision of Appraisals.**

104.9 Review appraisals will be awarded experience credit when the appraiser has performed technical reviews of appraisals prepared by either employees, associates or others, provided the appraiser complied with Uniform Standards of Professional Appraisal Practice Standards Rule 3 when the appraiser was required to comply with the rule. The following points shall be awarded for review or supervision of appraisals: *11/1/96*

104.9.1 Review of appraisals which does not include a physical inspection of the property and verification of the data, commonly known as a desk review, shall be worth 20% of the points awarded to the appraisal if a separate written review appraisal report is prepared. A maximum of 100 points may be earned by desk review of appraisals. *12/15/93*

104.9.2 Review of appraisals which includes a physical inspection of the property and verification of the data, commonly known as a field review, shall be worth 50% of the points awarded to the appraisal if a separate written review appraisal report is prepared. A maximum of 100 points may be earned by field review of appraisals. *12/15/93*

104.9.3 Supervision of appraisers shall be worth 20% of the points awarded to the appraisal. A maximum of 100 points may be earned by supervision of appraisers. *11/1/96*

104.9.4 Not more than 50% of the total experience required for certification may be granted under Subsections R162-104-9(104.9.1) through R162-104-9(104.9.3) and R162-104-11(104.11.1) and R162-104-11(104.11.3) combined. *3/3/94*

**R162-104-10. Condemnation Appraisals.**

104.10 Condemnation appraisals shall be worth an additional 50% of the points normally awarded for the appraisal if the condemnation appraisal included a before and after appraisal because of a partial taking of the property. *3/4/91*

**R162-104-11. Preliminary Valuation Estimates, Comparative Market Analysis, Real Estate Consulting Services, and Other Real Estate Experience.**

104.11.1 Preliminary valuation estimates, range of value estimates or similar studies, and other real estate related experience gained by bankers, builders, city planners and managers, or other individuals may be granted credit for up to 50% of the experience required for certification in accordance with R162-104-17 of this rule, so long as the experience demonstrates to the Board that the applicant has the ability to arrive at a fair market value of property and to properly document value conclusions. 5/16/97

104.11.2 Comparative market analysis by real estate licensees may be granted up to 100% experience credit toward certification in accordance with R162-104-17 of this rule, when the analysis is prepared in conformity with USPAP Standards Rules 1 and 2 and the individual can demonstrate to the Board that he is using similar techniques as appraisers to value properties and effectively utilize the appraisal process. 5/16/97

104.11.3 Appraisal analysis, real estate counseling or consulting services, and feasibility analysis/study will be awarded experience credit in accordance with R162-104-17 of this rule for up to 50% of the experience required toward certification so long as the services were performed in accordance with USPAP Standards Rules 4 and 5. 5/16/97

104.11.4 Not more than 50% of the total experience required for certification may be granted under Subsections R162-104-11(104.11.1) and R162-104-11(104.11.3) and R162-104-9(104.9.1) through R162-104-9(104.9.3) combined. 3/3/94

#### **R162-104-12. Ad Valorem Appraisal and Benchmark Appraisal.**

104.12 Ad valorem appraisal and benchmark appraisal by property type will earn the same number of points as fee appraisal where the individual can demonstrate that he performed highest and best use analysis, developed the model in model specification, or developed adjustments to the model in model calibration, and where the individual can demonstrate the appraisal was performed in accordance with Standards Rule 6 of the Uniform Standards of Professional Appraisal Practice. 6/15/93

#### **R162-104-13. Experience Participation.**

104.13 An applicant for certification must be able to prove more than 50% participation in the data collection, verification of data, reconciliation, analysis, identification of property and property interests, compliance with USPAP standards and all Advisory Opinions of USPAP, and preparation and development of the appraisal report in order to count the appraisal for experience credit. Experience credit will be granted to only one registered or licensed appraiser per completed appraisal even though more than one may have participated in the development of the appraisal. 5/3/99

#### **R162-104-14. Unacceptable Experience.**

104.14 An applicant will not receive points toward satisfying the experience requirement for licensure or certification for performing the following: 5/3/99

(a) Appraisals of the value of a business as distinguished from the appraisal of commercial real

estate; or 3/4/91

(b) Personal property appraisals. 6/15/93

**R162-104-15. Verification of Experience.**

104.15 The Board, at its discretion, may verify the claimed experience by any of the following methods: verification with the clients; submission of selected reports to the Board; and field inspection of reports identified by the applicant at the applicant's office during normal business hours. 11/1/96

**R162-104-16. Experience Review Committee.**

104.16 There may be a committee appointed by the Board to review the experience claimed by applicants for licensure or certification. 5/3/99

104.16.1 The Committee shall:

104.16.1.1 Review all applications for adherence to the experience required for licensure or certification; 5/3/99

104.16.1.2 Correspond with applicants concerning submissions, if necessary; and 3/4/91

104.16.1.3 Make recommendations to the Division and the Board for licensure or certification approval or disapproval. 5/3/99

104.16.2 Committee composition. The Committee shall be composed of appraisers from the following categories: residential appraisers; commercial appraisers; farm and ranch appraisers; right-of-way appraisers; and ad valorem appraisers. 11/1/96

104.16.2.1 The chairperson of the committee shall be appointed by the Board. 5/15/91

104.16.2.2 Meetings may be called upon the request of the chairperson or upon the written request of a quorum of committee members. 5/15/91

104.16.3 New Review. If the review of an application has been performed by the Experience Review Committee, and the Board has denied the application based on insufficient experience, the applicant may request that the Board review the issue again by making a written request within thirty days after the denial stating specific grounds upon which relief is requested. The Board shall thereafter consider the request and issue a written decision. 5/3/99

**R162-104-17. Special Circumstances.**

104.17 Applicants having experience in categories other than those shown on the Appraisal Experience Points Schedule, or applicants who believe the Experience Points Schedule does not

adequately reflect their experience, or applicants who believe the Experience Points Schedule does not adequately reflect the complexity or time spent on an appraisal, may petition the Board on an individual basis for evaluation and approval of their experience as being substantially equivalent to that required for licensure or certification. Upon a finding that an applicant's experience is substantially equivalent to that required for licensure or certification, the Board may waive experience points, give an applicant credit for months of experience, or both. 5/3/99

104.17.1 Full-time elected county assessors and any person performing an appraisal for the purpose of establishing the fair market value of real estate for the assessment roll may, as an alternative to using the Appraisal Experience Points Schedule, be awarded points as provided in Section 104.17.2, provided that they have experience in at least three of the following categories and no more than one-third of their experience comes from any one of the following categories: 8/27/03

104.17.1.1 Property description/identification; 5/3/99

104.17.1.2 Highest and best use analysis; 5/3/99

104.17.1.3 Land value estimates; 5/3/99

104.17.1.4 Cost approach; 5/3/99

104.17.1.5 Sales comparison; 5/3/99

104.17.1.6 Income capitalization approach. 5/3/99

104.17.2 Full-time elected county assessors may be awarded 200 points for every year of service. Any person performing an appraisal for the purposes of establishing the fair market value of real estate for the assessment roll may be awarded 200 points for every year of full-time service that is substantiated by the applicant. If the applicant requests that experience points be granted for employment in other than one-year increments, the number of points allowable under this section may be prorated in proportion to the number of months of full-time employment substantiated by the applicant. 8/27/03

104.17.2.1 Part-time employment. Any person performing an appraisal for the purposes of establishing the fair market value of real estate for the assessment roll may be awarded a number of points for part-time service that has been pro-rated in proportion to the average number of hours worked per week during the months for which points are claimed. For the purposes of this rule, full-time service is defined as 40 hours per week. 8/27/03

104.17.3 Fulltime elected county assessors and any person performing an appraisal for the purposes of establishing the fair market value of real estate for the assessment roll are not subject to the limitations in Section 105.3. 8/27/03

104.17.4 Fulltime investigators with the Division who perform appraisal investigations may be

awarded 200 points for every 18 months of service. They are not subject to the limitations in Section 105.3.

5/3/99

**R162-104-18. Appraisal Experience Points Schedule.**

104.18 Points shall be awarded as follows:

104.18.1 Residential Experience Points Schedule. The following points shall be awarded to form appraisals. Three points may be added to the points shown if the appraisal was a narrative appraisal instead of a form appraisal.

12/15/93

TABLE 1

(a) One-unit dwelling, including a site	1 point
(b) Multiple one-unit dwellings in the same subdivision or condominium project which are substantially similar	1 point per dwelling up to a maximum of 6 points
1-25 dwellings	A total of 10 points
Over 25 dwellings	4 points
(c) Two- to four-unit dwelling	2 points
(d) Employee Relocation Counsel reports completed on currently accepted Employee Relocation Counsel form	1 point
(e) Residential lot, 1-4 family	1 point per lot up to a maximum of 6 points
(f) Multiple lots in the same subdivision which are substantially similar	A total of 10 points
1-25 lots	1 point
Over 25 lots	4 points
(g) Small parcel up to 5 acres	1 point
(h) Vacant land, 20-500 acres	4 points
A maximum of 50 points may be awarded for appraisal of vacant land.	
(i) Recreational, farm, or timber acreage suitable for a house site, up to 10 acres	2 points
Over 10 acres	3 points
(j) All other unusual structures or acreages, which are much larger or more complex than typical properties	1-5 points as determined by the Board



(k) Residential appraisal textbook authorship, not to exceed 20 points per year	As determined by the Board
(l) Residential appraisal articles in journals of approved national appraisal organizations, not to exceed 20 points per year	10 points
	11/24/04

104.18.2 General Experience Points Schedule. All appraisal reports claimed must be narrative appraisal reports. 3/4/91

TABLE 2

(a) Apartment buildings, 5-100 units	8 points
Over 100 units	10 points
(b) Hotel or motels, 50 units or fewer	6 points
51-150 units	8 points
Over 150 units	10 points
(c) Nursing home, rest home, care facilities,	
Fewer than 80 beds	8 points
Over 80 beds	10 points
(d) Industrial or warehouse building,	
Fewer than 20,000 square feet	6 points
Over 20,000 square feet, single tenant	8 points
Over 20,000 square feet, multiple tenants	10 points
(e) Office buildings	
(f) Fewer than 10,000 square feet	6 points
Over 10,000 square feet, single tenant	8 points
Over 10,000 square feet, multiple tenants	10 points
(f) Entire condominium projects, using income approach to value	
5- to 30-unit project	6 points
31- or more-unit project	10 points
(g) Retail buildings	
Fewer than 10,000 square feet	6 points
More than 10,000 square feet, single tenant	8 points
More than 10,000 square feet, multiple tenants	10 points
(h) Commercial, multi-family, industrial, or other nonresidential use acreage	
Fewer than 10 acres	4 points
10 acres or more	6 points
100 acres or more, income approach to value	10 points
(i) All other unusual structures or assignments which are much larger or more complex than the properties described in (a) to (h) herein.	1 to 20 points as determined by Board
(j) Textbook authorship in general appraisal	As determined

topics, not to exceed 20 points per year	by Board	
(k) General field journal articles in journals of approved national appraisal organizations, not to exceed 20 points per year	10 points	
(l) Entire Subdivisions or Planned Unit Developments (PUDs)	6 points	
1- to 25-unit subdivision or PUD	10 points	
Over 25-unit subdivision or PUD	1 to 20	
(m) Feasibility or market analysis, maximum 100 points	points as determined by Board	
Ad Valorem appraisals		
(n) Development and implementation of multiple regression model - land valuation guide, up to 5000 parcels	20 points	
For each additional 5000 parcels, add 1 point	20 points	
(o) Depreciation study and analysis	10 points	
(p) Sales ratio study and implementation – physical inspection and review, maximum 50 points	10-20	
(q) Development of standards of practice for assessment administration and writing of those guidelines, maximum 40 points	points as determined by Board	
(r) State-assessed property - gravel pits, mines, utilities	1-20 points as determined by Board	
Farm and Ranch appraisals		
(s) Separate grazing privileges or permits	Form 4 pts.	Narrative 5 pts.
(t) Irrigated cropland, pasture other than rangeland, 1 to 10 acres	2 pts.	3 pts.
11-50 acres	2.5 pts.	4 pts.
51-200 acres	3 pts.	5 pts.
201-1000 acres	5 pts.	8 pts.
More than 1000 acres	8 pts.	10 pts.
(u) Dry farm, 1 to 1000 acres	3 pts.	5 pts.
More than 1000 acres	4 pts.	8 pts.
(v) Improvements on properties other than a rural residence, maximum 2 points:		
Dwelling	1 pt.	1 pt.
Sheds	0.5 pt.	0.5 pt.
(w) Cattle ranches		
0-200 head	3 pts.	4 pts.
201-500 head	5 pts.	6 pts.
501-1000 head	6 pts.	8 pts.

More than 1000 head	8 pts.	10 pts.
(x) Sheep ranches		
0-2000 head	5 pts.	6 pts.
More than 2000 head	7 pts.	9 pts.
(y) Dairies, includes all improvements except a dwelling		
1-100 head	4 pts.	5 pts.
101-300 head	5 pts.	6 pts.
More than 300 head	6 pts.	7 pts.
(z) Orchards		
5-50 acres	6 pts.	8 pts.
More than 50 acres	8 pts.	10 pts.
(aa) Rangeland/timber		
0-640 acres	4 pts.	5 pts.
More than 640 acres	6 pts.	7 pts.
(bb) Poultry		
0-100,000 birds	6 pts.	8 pts.
More than 100,000 birds	8 pts.	10 pts.
(cc) Mink		
0-5000 cages	6 pts.	7 pts.
More than 5000 cages	8 pts.	10 pts.
(dd) Fish farms	8 pts.	10 pts.
(ee) Hog farms	8 pts.	10 pts.

11/24/04

104.18.2.1 Appraisals on commercial or multifamily form reports shall be worth 75% of the points normally awarded for the appraisal. 11/1/96

## **R162. Commerce, Real Estate.**

### **R162-105. Scope of Authority.**

#### **R162-105-1. Scope of Authority.**

105.1 Transaction value. "Transaction value" means: 5/3/99

105.1.1 For loans or other extensions of credit, the amount of the loan or extension of credit; 5/3/99

105.1.2 For sales, leases, purchases, and investments in or exchanges of real property, the market value of the real property interest involved; and 5/3/99

105.1.3 For the pooling of loans or interests in real property for resale or purchase, the amount of the loan or market value of the real property calculated with respect to each such loan or interest in real property. 5/3/99

105.2 State-Licensed Appraisers. In federally-related transactions, the Utah Real Estate Appraiser Licensing Act and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and

related federal regulations allow State-Licensed Appraisers to perform the appraisal of non-complex one to four residential units having a transaction value of less than \$1,000,000 and complex one to four residential units having a transaction value of less than \$250,000. 4/23/03

105.2.1 Subject to the transaction value limits in Section 105.2, State-Licensed Appraisers may also perform appraisals in federally-related transactions of vacant or unimproved land that is utilized for one to four family purposes, or for which the highest and best use is 1-4 family purposes, so long as net income capitalization analysis is not required by the terms of the assignment. 5/3/99

105.2.2 State-Licensed Appraisers may not perform appraisals of subdivisions in federally-related transactions for which a development analysis/appraisal is necessary or for which discounted cash flow analysis is required by the terms of the assignment. 5/3/99

105.3 Trainees. 9/10/04

105.3.1 For the purposes of these rules, "trainee" means a person who is working under the direct supervision of a State-Licensed or State-Certified Appraiser to earn points for licensure. 9/10/04

105.3.2 Appraisal-related duties by unlicensed persons. Unlicensed persons who have not qualified as trainees as provided in Subsection 105.3.3 may perform only clerical duties in connection with an appraisal. For the purposes of this rule, appraisal-related clerical duties include typing an appraiser's research notes or an appraiser's report, taking photographs of properties, and obtaining copies of public records. Only those persons who have properly qualified as trainees as provided in Subsection 105.3.3 may perform the following appraisal-related duties: participating in property inspections, measuring or assisting in the measurement of properties, performing appraisal-related calculations, participating in the selection of comparables for an appraisal assignment, making adjustments to comparables, and drafting or assisting in the drafting of an appraisal report. The supervising appraiser shall be responsible to determine the point at which a trainee is competent to participate in each of these activities. 9/10/04

105.3.2.1 A trainee may not solicit an assignment or accept an assignment on behalf of anyone other than the trainee's supervisor or the supervisor's appraisal firm. All engagement letters shall be addressed to the supervisor or the supervisor's appraisal firm, not to the trainee. In all appraisal assignments, the supervisor shall delegate only such duties as are appropriate to the trainee and shall directly supervise the trainee in the performance of those duties. 9/29/05

105.3.3 In order to become a trainee, the person must have successfully completed 75 classroom hours of State-approved education in subjects related to real estate appraisal, including the Uniform Standards of Professional Appraisal Practice (USPAP), must have passed the final examination in the USPAP course, and must file a notification with the Division as provided in Subsection 105.3.3.1. The education required by this Subsection must have been completed

within the 5 years preceding the filing of the notification required by Subsection 105.3.3.1.9/29/05

105.3.3.1 Trainee Notification. Prior to performing any of the appraisal-related activities for which points will be claimed toward licensure, a trainee must file with the Division a notification in the form required by the Division. In addition to any identifying information about the trainee required by the Division, the notification shall contain the name and business address of the appraiser(s) who will supervise the trainee in the performance of the appraisal-related duties, and shall be signed by the supervisor. The notification shall also contain the course names, course provider names, and course completion dates for the 75 hours of education required by Subsection 105.3.3. The original course completion certificates shall be submitted to the Division with the notification. 9/10/04

105.3.3.2 Except as provided in Subsection 105.3.3.3, no experience points will be granted toward licensure for trainee experience that is claimed to have been earned prior to the date the notification was filed with the Division. 9/10/04

105.3.3.3 Until five years after the effective date of this rule, points that were earned prior to the effective date of this rule may be claimed and will be awarded to applicants who are able to document those points on the forms required by the Division, notwithstanding the fact that the points were earned prior to the date a trainee notification was filed with the Division. 9/10/04

105.3.4 Supervising Appraisers. A trainee may have more than one supervising appraiser. Effective January 1, 2008, a supervising appraiser may supervise a maximum of 3 trainees at one time. 09/29/05

105.3.5 Residential Property Inspections. A trainee, including a trainee who was previously a state-registered appraiser, must be accompanied by a supervising State-Licensed Appraiser, State-Certified Residential Appraiser, or State-Certified General Appraiser on all inspections of residential property until the trainee has performed 100 inspections of residential properties in which both the interior and the exterior of the properties are inspected. All reports in appraisals in which a trainee participated in the inspection of the subject property shall comply with the requirements of Section 106.9. 9/29/05

105.3.6 Non-Residential Property Inspections. A trainee, including a trainee who was previously a state-registered appraiser, must be accompanied by a supervising State-Certified General Appraiser on all inspections of non-residential property until the trainee has performed 20 inspections of non-residential properties in which both the interior and the exterior of the properties are inspected. All reports in appraisals in which a trainee participated in the inspection of the subject property shall comply with the requirements of Section 106.9. 9/29/05

105.3.7 Points for Licensure. A trainee may accumulate experience points for each duty listed below at the rate of 33.3% of the total points awarded from the Appraisal Experience Points Schedule under Section 104-18.1 or 104-18.2, not to exceed the maximum number of points awarded for each property. Trainee experience must be earned in at least three of the following categories. No more than one-third of the experience points submitted toward licensure may

come from any one of the following categories:

9/10/04

(a) participation in selecting comparables for an appraisal assignment - 33.3% of total points

9/10/04

(b) participation in making adjustments to comparables - 33.3% of total points

9/10/04

(c) drafting appraisal reports - 33.3% of total points

9/10/04

(d) as provided in Sections 105.3.5 and 105.3.6, inspecting a property that is the subject of an appraisal or that may be used as a comparable in an appraisal, and measuring the property - 33.3% of total points as long as both an interior and exterior inspection of the property is performed. No points will be granted for inspections that do not include both an interior and an exterior inspection.

9/10/04

105.3.8 Credit will be given for appraisal experience earned only within five years immediately preceding the licensure or certification application. Applicants who believe the Experience Points Schedules do not adequately reflect their experience may refer to Section 104-17.

9/10/04

105.3.9 All trainees are prohibited from signing an appraisal report or discussing an appraisal assignment with anyone other than the appraiser responsible for the assignment, state enforcement agencies and such third parties as may be authorized by due process of law, or a duly authorized professional peer review committee.

9/10/04

105.3.10 A state-licensed or state-certified appraiser who supervises a trainee shall be responsible for the training and direct supervision of the trainee.

9/10/04

105.3.10.1 Direct supervision shall consist of critical observation and direction of all aspects of the appraisal process and accepting full responsibility for the appraisal and the contents of the appraisal report. The supervising appraiser shall be responsible to personally inspect each residential property that is appraised with a trainee until the trainee has performed 100 residential inspections as provided in Subsection 105.3.5 and 20 non-residential inspections as provided in Subsection 105.3.6. The supervising appraiser must actively supervise those inspections and the resulting appraisals.

9/10/04

105.3.11 A supervising appraiser shall require the trainee to maintain a log in a form satisfactory to the Board which shall contain, at a minimum, the following information for each appraisal.

9/10/04

(a) Type of property;

6/1/00

(b) Address of appraised property;

6/1/00

(c) Description of work performed;

6/1/00

(d) Number of work hours;

6/1/00

(e) Signature and state license/certification number of the supervising appraiser; and

9/10/04

(f) Client name and address.

9/10/04

105.3.12 The trainee shall maintain a separate appraisal log for each supervising appraiser.

9/10/04

105.4. Trainee Status after Revocation, Surrender, or Suspension of License or Certification.

9/10/04

105.4.1 Trainee Status after Revocation or Surrender of License or Certification. Unless otherwise ordered by the Board, an appraiser whose appraiser certification or license has been revoked by the Board, or who has surrendered a certification or license as a result of an investigation by the Division, may not serve as a trainee for a period of five years after the date of the revocation or surrender, nor may a licensed or certified appraiser employ or supervise him during that period in the performance of the activities permitted trainees.

9/10/04

105.4.2 Trainee Status while License or Certification is Suspended. Unless otherwise ordered by the Board, any appraiser whose appraiser license or certificate has been suspended by the Board as a result of an investigation by the Division may not serve as a trainee during the period of suspension, nor may a licensed or certified appraiser employ or supervise him during that period in the performance of the activities permitted trainees.

9/10/04

## **R162. Commerce, Real Estate.**

### **R162-106. Professional Conduct.**

#### **R162-106-1. Uniform Standards.**

106.1. As required by the Appraisal Foundation in accordance with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), all appraisers must comply with the edition of the Uniform Standards of Professional Appraisal Practice (USPAP) currently approved by the Board. Information on which version of USPAP is currently approved by the Board may be obtained from the division. All persons licensed or certified under this chapter must also observe the Advisory Opinions of USPAP. Copies of USPAP may be obtained from the Appraisal Foundation, 1029 Vermont Avenue N.W., Suite 900, Washington, D.C. 20005. Registered expert witnesses, licensed and certified appraisers and candidates for registration, licensure or certification may obtain copies from the division.

11/15/01

#### **R162-106-2. Use of Terms.**

106.2. The terms "State-Certified Residential Appraiser," "State-Certified General Appraiser," and State- Licensed Appraiser shall not be abbreviated or reduced to a letter or group of letters. If these terms are used on letterhead or in advertising, the appraiser's certificate number or license number must follow his name.

11/15/01

#### **R162-106-3. Signatures and Use of Seal.**

9/29/05

106.3.1. State-Licensed Appraisers. State- Licensed appraisers may not place a seal on an appraisal report or use a seal in any other manner likely to create the impression that the appraiser is a state-certified appraiser.

11/15/01

106.3.2. Signatures.

7/14/98

106.3.2.1. Signature stamps. Appraisers may not affix their signatures to appraisal reports by means of a signature stamp.

7/14/98

106.3.2.2. Appraisers may not affix their signatures to blank or partially completed appraisal

reports which will be filled in later by anyone other than the appraiser who has signed the reports.

12/18/00

106.3.2.3. If it is necessary for an appraiser to delegate authority to another individual to sign the appraiser's signature on an appraisal report, the other individual may sign the report for the appraiser only if: a) the report explicitly discloses that the other individual has been authorized to sign the report for the appraiser; b) the permission must have been granted in writing and limited to a specific property address; c) a copy of the written permission to sign must be attached to the report; and d) the appraiser who signs the other's signature must write the word "by" followed by his own name after the other's signature.

12/18/00

106.3.2.4. Digital signatures. A digital signature may be used in place of a handwritten signature only if: a) the software program which generates the digital signature has a security feature; and b) the appraiser ensures that his signature is protected and that no one other than the appraiser has control of that signature.

7/14/98

#### **R162-106-4. Testimony by an Appraiser.**

106.4. Testimony. An appraiser who testifies as to an appraisal opinion in a deposition or an affidavit, or before any court, public body, or hearing officer, shall prepare a written appraisal report or a file memorandum prior to giving such testimony.

6/1/93

106.4.1. File memoranda. For the purpose of this rule, a file memorandum shall include work sheets, data sheets, the reasoning and conclusions upon which the testimony is based, and other sufficient information to demonstrate substantial compliance with USPAP Standards Rule 2-2, or in the case of mass appraisal, Standards Rule 6-7.

6/1/93

#### **R162-106-5. Failure to Respond to Investigation.**

106.5. When the Division notifies an appraiser or registered expert witness of a complaint, the notified individual must respond to the complaint in writing within ten business days of the notice from the Division. Failure to respond within the required time period to a notice of complaint, a subpoena, or any written request for information from the Division shall be considered a violation of these rules and separate grounds for disciplinary action against the appraiser or registered expert witness.

5/3/99

#### **R162-106-6. Recordkeeping Requirements.**

106.6. The true copy of an appraisal report which an appraiser is required by Section 61-2b-34(1) to retain shall be a photocopy or other exact copy of the report as it was provided to the client, including the appraiser's signature.

3/20/00

#### **R162-106-7. Sales and Listing History.**

In order to comply with Standard 1 of the Uniform Standards of Professional Appraisal Practice (USPAP), appraisers who are licensed or certified under this chapter shall analyze and report the listing history of the subject property for the three years preceding the appraisal if such information



is available to the appraiser from a multiple listing service, listing agent(s), or the property owner.8/27/03

### **R162-106-8. Draft Reports.**

For the purpose of this rule, a "draft report" is defined as an appraisal report that is a work in progress and that has not yet been finished by the Appraiser. 7/28/04

106.8.1. One to Four Unit Residential Real Property. An appraiser may not release a draft report to a client in the appraisal of one to four unit residential real property. 7/28/04

106.8.2. An appraiser may release a draft report to a client in the appraisal of other than one to four unit residential real property if: a) the first page of the report prominently identifies the report as a draft; b) the draft report has been signed by the appraiser; and c) the appraiser complies with USPAP in the preparation of the draft report. 7/28/04

### **R162-106-9. Inspections.**

All appraisal reports shall include a statement indicating whether or not the subject property was inspected as part of the appraisal process, and if any inspections were done, the following information concerning the inspections shall also be included: 9/29/05

- (a) the names of all appraiser and appraisal trainees who participated in each property inspection; 9/29/05
- (b) whether each inspection was an exterior inspection only or both an exterior and an interior inspection; and 9/29/05
- (c) the date that each inspection was performed. 9/29/05

### **R162. Commerce, Real Estate.**

#### **R162-107. Unprofessional Conduct.**

##### **R162-107-1. Unprofessional Conduct.**

107.1 Unprofessional conduct includes the following specific acts or omissions: 3/4/98

107.1.1 Violating or disregarding a disciplinary order of the Utah Appraiser Licensing and Certification Board or the division; 6/1/00

107.1.2 Signing an appraisal report containing a statement indicating that an appraiser has inspected a property if the appraiser has not inspected the property; 6/1/00

107.1.3 Signing an appraisal report as the supervising appraiser without having given adequate supervision to the registered appraiser or the unclassified assistant; 6/1/00

107.1.4 Allowing an appraiser in his employ, or an appraiser whom he is otherwise responsible to supervise, to: 6/1/00

- (a) exceed the authority of the subordinate appraiser's classification; 6/1/00

(b) engage in conduct which is a violation of Title 61, Chapter 2b. 6/1/00

107.1.5 Allowing a non-appraiser to: 6/1/00

(a) exceed the authority granted to an unclassified person by these rules; 6/1/00

(b) engage in conduct which would be a violation of Title 61, Chapter 2b if done by an appraiser; or

(c) accept an appraisal assignment 5/25/05

107.1.6 Splitting appraisal fees with any person who is not a State-Licensed Appraiser or a State-Certified Appraiser, except that an appraisal trainee may be paid a reasonable salary or a reasonable hourly rate for lawful services actually performed in connection with appraisals. Such payment must be paid to the trainee by the trainee's supervisor or the supervisor's appraisal firm and not by any other person or entity. 5/25/05

107.2 The Board may appoint members of the appraisal industry to serve as a Technical Advisory Panel to provide advice to the Division concerning technical appraisal issues and conduct constituting unprofessional conduct. 5/3/99

## **R162. Commerce, Real Estate.**

### **R162-109. Administrative Proceedings.**

#### **R162-109-1. Formal Adjudicative Proceedings.**

109.1 Any proceedings conducted subsequent to the issuance of a cease and desist order or other emergency order. 7/27/05

#### **R162-109-2. Informal Adjudicative Proceedings.**

109.2.1 Proceedings in which the Division seek disciplinary action pursuant to U.C.A. Section 61-2b-29 against a licensed or certified appraiser shall be conducted as informal adjudicative proceedings. 7/27/05

109.2.2 Proceedings on original applications for licensure or certification, or renewal applications for licensure or certification, as an appraiser, or for certification of appraisal courses, schools, or instructors, and all proceedings on applications for a temporary permit or registration as an expert witness, shall be conducted as informal adjudicative proceedings. 7/27/05

109.2.3. All adjudicative proceedings as to any other matters not specifically designated as formal adjudicative proceedings shall be conducted as informal adjudicative proceedings. 7/27/05

109.2.4. A hearing will be held in an informal adjudicative proceeding only if required or permitted by the Appraiser Licensing and Certification Act or these rules. 7/27/05

109.2.5. Application forms which shall be filled out and submitted to the Division for registration as an expert, licensure or certification as an appraiser, or for certification of courses,

schools, or instructors, and all applications for a temporary permit shall be deemed a request for agency action pursuant to the Utah Administrative Procedures Act, Section 63-46b-1, et seq.

7/27/05

109.2.5.1. Upon receipt of an application, the Division shall:

7/27/05

(a) issue and mail a license, certification, or temporary permit, or registration as an expert witness, which shall be deemed notification that the application is granted;

5/3/99

(b) notify the applicant that the application is incomplete and that further information is needed;

1/25/96

(c) notify the applicant that a hearing shall be scheduled before the Utah Appraiser Licensing and Certification Board for the purpose of determining the applicant's fitness for appraiser, licensure, or certification, or issuance to the applicant of a temporary permit; or

7/27/05

(d) notify the applicant that the application is denied, and, if the proceeding is one in which a hearing is permitted, that he may request a hearing to challenge the denial.

3/3/94

109.2.6. Other Requests for Agency Action

9/14/92

109.2.6.1. Other requests for agency action shall be in writing and signed by the requestor, and shall contain the following:

7/27/05

(a) the names and addresses of all persons to whom a copy of the request for agency action is being sent;

9/14/92

(b) the agency's file number or other reference number, if known;

9/14/92

(c) the date of mailing of the request for agency action;

9/14/92

(d) a statement of the legal authority and jurisdiction under which the agency action is requested, if known;

9/14/92

(e) a statement of the relief or action sought from the Division; and

9/14/92

(f) a statement of the facts and reasons forming the basis for relief or agency action.

9/14/92

109.2.6.2. Upon receipt of a request for agency action other than an application for registration, licensure or certification, the Division shall:

5/3/99

(a) notify the requestor in writing that the request is granted;

9/14/92

(b) notify the requestor that the request is incomplete and that further information is needed before the Division is able to make a determination on the request;

9/14/92

(c) notify the requestor that the Division does not have the legal authority or jurisdiction to grant the relief requested or the action sought; or 9/14/92

(d) notify the requestor that the request is denied, and, if the proceeding is one in which a hearing is permitted, that he may request a hearing to challenge the denial. 9/14/92

109.2.6.3. A complaint against an appraiser, or the holder of a temporary permit requesting that the Division commence an investigation or a disciplinary action is not a request for agency action. 7/27/05

### **R162-109-3. Hearings Not Required.**

109.3. A hearing is not required and will not be held in the following informal adjudicative proceedings: 9/14/92

109.3.1. The issuance, renewal or reinstatement of an appraiser, license or certification; 7/27/05

109.3.2. The issuance or renewal of an appraisal course, school, or instructor certification; 5/3/99

109.3.3. The issuance of any interpretation of statute, rule or order, or the issuance of any written opinion or declaratory order determining the applicability of a statute, rule or order, when enforcement or implementation of the statute, rule or order lies within the jurisdiction of the Division; or 3/3/94

109.3.4. The denial of renewal or reinstatement of an appraiser registration, license or certification for failure to complete any continuing education required by Section 61-2b-40. 5/3/99

### **R162-109-4. Hearings Permitted.**

109.4.1. In the following informal adjudicative proceedings, a hearing will be held only if requested in writing by a party within 20 days from the date a notice of agency action or the Division's response to a request for agency action is mailed: 7/27/05

109.4.1.1. The denial of an application for certification as an instructor on the grounds that his attestation to upstanding moral character is false; 1/25/96

109.4.1.2. The denial of an application for an initial appraiser license or certification due to insufficient education or experience, as determined by the appropriate review committee appointed by the Appraiser Licensing and Certification Board; or 5/3/99

109.4.1.3 The denial of an application for a temporary permit. 1/25/96

109.4.2. A request by a party for a hearing shall include the grounds upon which relief is requested. 9/14/92

109.4.3. Hearings permitted by this rule will be before the Utah Appraiser Licensing and Certification Board.

5/3/99

**R162-109-5. Hearings Required.**

109.5.1 Hearings will be held in all proceedings in which the Division seeks to deny an application for original or renewed licensure or certification for failure of the applicant to meet the criteria of good moral character, honesty, integrity or truthfulness. 7/27/05

109.5.2 Hearings will be held in all proceedings conducted subsequent to the issuance of a cease and desist order or other emergency order. 7/27/05

109.5.3 Hearings will be held in all proceedings in which the Division seeks disciplinary action pursuant to U.C.A. Section 61-2b-29 against a licensed or certified appraiser. 7/27/05

**R162-109-6. Procedures for Hearings in Informal Adjudicative Proceedings.**

109.6.1 The procedures to be followed in all informal adjudicative proceedings shall be as set forth in Title 63, Chapter 46b, Utah Administrative Procedures Act, the Department of Commerce Administrative Procedures Act Rules, Utah Administrative Code Section R151-46b, and in this Section R162-109-6.

7/27/05

109.6.2 Notice of Agency Action and Petition. The Division shall commence a proceeding for disciplinary action pursuant to U.C.A. Section 61-2b-29 by the filing and service of a Notice of Agency Action and a Petition setting forth the allegations made by the Division.

7/27/05

109.6.3 Answer. The presiding officer may, upon a determination of good cause, require a person against whom a disciplinary proceeding has been initiated pursuant to U.C.A. Section 61-2b-29 to file an Answer to the Petition by ordering in the Notice of Agency Action that the respondent shall file an Answer with the Division. All Answers are required to be filed with the Division within thirty days of the mailing date of the Notice of Agency Action and Petition.

7/27/05

109.6.4 Assistance of Administrative Law Judge. In any proceeding under this subsection, the Board may delegate the hearing to an Administrative Law Judge or may request that an Administrative Law Judge assist the Board in conducting the hearing.

7/27/05

109.6.5. Notice of hearing. Upon the scheduling of a hearing by the Division or upon receipt of a timely request for a hearing where hearings are permitted, the Division shall mail written notice of the date, time, and place scheduled for the hearing at least ten days prior to the hearing. 7/27/05

109.6.6. Discovery is prohibited, but the Division may issue subpoenas or other orders to compel production of necessary evidence. All parties shall have access to the Division's files and to all materials and information gathered in any investigation to the extent permitted by law. 7/27/05

109.6.7. Intervention is prohibited. 7/27/05

109.6.8. Hearings shall be open to all parties, except that a hearing on an applicant's fitness for, licensure or certification may be conducted in a closed session which is not open to the public if the presiding officer closes the hearing pursuant to Title 63, Chapter 46b, the Utah Administrative Procedures Act or Title 52, Chapter 4, the Open and Public Meetings Act.. The parties named in the Notice of Agency Action or the Request for Agency Action may be represented by counsel and shall have the opportunity to testify, present witnesses and other evidence, and comment on the issues. 7/27/05

109.6.9. Within a reasonable time after the hearing, the presiding officer shall cause to be issued and mailed to the parties a signed order in writing based on the facts appearing in the agency's files and on the facts presented in evidence at the hearing. The order shall state the decision and the reasons for the decision and a notice of the right of administrative review and judicial review available to the parties including applicable time limits. 7/27/05

109.6.10. The Division may, but shall not be required to, record the hearing. If a record has been made, any party, at his own expense, may have a reporter approved by the Division prepare a transcript from the Division's record of the proceedings. 7/27/05